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**ORIGINAL**

Decision No. \_\_\_\_\_

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 TANKLINER SERVICE, INC., a Califor- )  
 nia corporation, to sell and trans- )  
 fer, and of SUBURBAN TANK LINES, a )  
 California corporation, to purchase )  
 and acquire the operative rights of )  
 TANKLINER SERVICE, INC., a corpora- )  
 tion, granted by Decision No. 42623, )  
 dated 15 March 1949, in Application )  
 No. 29784, and Decision No. 44256, )  
 dated 26 May 1950, in Application )  
 No. 31221. )

Application No. 45557

O P I N I O N

Tankliner Service, Inc., a California corporation, requests authority to sell and transfer and Suburban Tank Lines, a California corporation, to purchase and acquire certain highway common carrier and petroleum irregular route carrier operating authority.

The highway common carrier rights were granted by Decision No. 42623, dated March 15, 1949, in Application No. 29784; and the petroleum irregular route carrier authority by Decision No. 44256, dated May 26, 1950, in Application No. 31221.

The agreed consideration for the transfer of the rights is \$1,500 in cash. No other property will be transferred. The buyer is a wholly owned subsidiary of Suburban Gas, which had a gross operating revenue of over 12½ million dollars for the 12 months ending on January 31, 1963. It is alleged that the buyer has just been incorporated and has no assets, has not engaged in business and holds no operating rights from this Commission.

Suburban Tank Lines is hereby placed on notice that operative rights, as such, do not constitute a class of property

which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

The certificates of public convenience and necessity held by Tankliner Service, Inc., have been suspended under the provisions of General Order No. 100-B since August 9, 1962, for failure to have on file requisite evidence of liability insurance, and by Decision No. 65595 dated June 11, 1963, in Applications Nos. 29784 and 31221, for failure to have tariffs on file with the Commission as required by Sections 486 and 493 of the Public Utilities Code. The latter suspension of the certificates will be vacated when common carrier tariffs are filed with the Commission naming rates on the same level, subject to outstanding minimum rate orders, as rates previously published by Tankliner Service, Inc.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary. The application should be granted as set forth in the ensuing order.

O R D E R

IT IS ORDERED that:

1. The transfer of the certificates of public convenience and necessity described herein is authorized upon the condition that whenever Tankliner Service, Inc., engages other carriers as

subhaulers in connection with the transportation of property for Suburban Gas, or of the customers or suppliers of Suburban Gas, the carriers so engaged shall be paid not less than the published tariff rates of Tankliner Service, Inc.

2. On or before January 1, 1964, Tankliner Service, Inc., may sell and transfer, and Suburban Tank Lines may purchase and acquire, the operative rights and property referred to in the application.

3. Within thirty days after the consummation of the transfer herein authorized, Suburban Tank Lines shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

4. Suburban Tank Lines shall issue or cause to be issued tariffs satisfactory to the Commission, naming rates, rules and regulations governing the common carrier operations herein, such rates to be on the same level, subject to outstanding minimum rate orders, as rates previously published by Tankliner Service, Inc. The tariff filings shall be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and to the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer and establishment of service herein authorized. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80-A.

5. Effective concurrently with the effective date of tariff filings made pursuant to paragraph 3 hereof, the suspension of the

certificates ordered by Decision No. 65595 dated June 18, 1963, in Applications Nos. 29784 and 31221, is hereby vacated and set aside.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 10<sup>th</sup> day of SEPTEMBER, 1963.

*William W. Brennan*  
President

*John J. Quinn*  
*Walter J. Rago*

*George H. Hoover*

*Frederick B. Hebbhoff*  
Commissioners